

COUNTY OF NASSAU

Inter-Departmental Memo

To: Jane Levine
Chief Deputy Comptroller, Office of the Comptroller

From: John R. O'Connor
Special Assistant to the Sheriff, Nassau County Correction Center

Date: September 20, 2004

Re: Nassau County Correction Center Commissary Operations
Audit Report of September 8, 2000 corrective action plan

The following is the Correctional Centers corrective action plan as it relates to the audit report dated September 8, 2000 that was performed by your office.

- 1. The Correctional Center takes the position that Correction Officers are essential to operate the Commissary, and cites a number of reasons to support its conclusion, including security and administrative concerns. As we have previously stated, we think commissary privatization is entirely appropriate and is utilized in other jurisdictions without raising the problems the Center enumerates. Alternatively, the facility could consider using non-uniform personnel whose job titles more clearly match the type of work performed by the officers now operating the commissary. With either of these alternatives, additional Corrections Officers would be available for deployment at the Center, and the county would have to pay less overtime.*

Any privatization of the commissary must include not only the fiscal impact but the operational impact as well. With privatization, the Department will lose some of the flexibility it now enjoys by operating the commissary. The ability to redeploy staff to emergencies, the control of all items coming into the facility, not only items that are being sold, but the possibility of the vendors employees introducing contraband into the facility, the possible negative impact on the inmate population by increasing the prices being charged, the additional administrative work to monitor the vendor and the operation of the commissary, the officers that would be required to provide security, and any possible contractual violations are all areas of concern. At this time, after exploring all of the above, the Department still maintains that operating the commissary, is in the best interest of the inmate population and the overall operation of the Correction Center, and at this time will not consider privatization.

- 2. We stand by this office's original recommendation. In its response to the previous audit, the Correctional Center noted that, in June 1995, the State*

Commission of Corrections had authorized local sheriffs to charge salaries and other operational costs to the commissary. Nevertheless, the Correctional Center failed to do so, thereby making the commissary look profitable and privatization less attractive. The Correctional Center should discontinue using the commissary account to make purchases for prisoner welfare and rehabilitation, and should charge these costs to appropriate budget lines, until the commissary operations reflect a profit after inclusion of personnel costs.

The Department takes exception to the above statement that the Center does not charged the salaries to the commissary to make “*the commissary look profitable and privatization less attractive*”. New York State Minimum Standards 701.6 authorizes the Sheriff to establish a commissary and provides a general outline on how the commissary should be operated and managed. This section of the minimum standards requires that all profits be used for the direct welfare of the inmate population and not to first offset any costs that the Sheriff’s Department or the County may incur. The Department has operated the commissary at the Correction Center using officers, not only to operate the commissary, but also to supply needed support during times when an emergency response is required throughout the Center. In June of 1995, the State Commission of Correction modified their position on certain operational costs as they relate to the commissary unit. Prior to 1995, any expenses incurred by the Department for staffing or other costs, such as utilities could not be charged against the profits of the commissary. It was decided at that time, and remains the policy of the Department, that the salaries would not be charged to the inmate commissary fund, ensuring that the prices being charged to the inmates remain at a level constant with prices that are being charged outside the Center. The Department has not changed any policy or operating procedure to make “*privatization less attractive*”, and will continue to operate in the manner it has always.

3. *To ensure adequate internal controls, the Correction Center should establish written procedures covering the accounting and maintenance of bank accounts, cash disbursements accounts payable and purchases.*

The “Damaged and Free Goods Form” should be revised to require both line officers and supervisors to sign it. The preparer should sign the form, and a supervisor’s signature should indicate that verification has been performed.

Our auditors agree with the corrective action taken by the Correctional Center to segregate the purchasing function from the accounting function. However, management should train other staff members to serve as backup personnel when the unit is short-staffed.

The Department agrees with the above findings and will establish written procedures as they relate to the accounting and disbursements of the commissary accounts, modify the “Damaged and Free Goods Form” to include officers and supervisors signatures and when the Department has the available staff, it will train back-up personnel to serve when the unit is short staff.